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DSL-BQA-98-009

To: Nursing Homes

NH-05

From: Judy Fryback, Director
Bureau of Quality Assurance

Minimum Data Set (MDS) Automation

This memo addresses the current status of Minimum Data Set (MDS) automation and the Resident Assessment Instrument (RAI).

Attached to this memo are copies of:

- **LTC MDS Electronic Submission Users Manual, Version 2.1, December 1997**
- **Final Regulation: MDS Automation and Submission Requirements - Federal Register, December 23, 1997, pp. 67211-67213.**
- **MDS Automation Teleconference Registration Form**

If you have any further questions regarding this issue, please contact Billie March, RAI Coordinator, at (608) 266-7188 or Richard Betz, MDS Automation Coordinator at (608) 264-9898, both of the Bureau of Quality Assurance.

Final Regulation

The final federal regulation, designated "HCFA-2180-F" was published in the Federal Register on December 23, 1997. The effective date for this regulation is **June 22, 1998**. (See attachment, starting at 'Part 483-Requirements for States and Long Term Care Facilities.')

This rule requires all federally-certified nursing homes to submit MDS data to their State in an electronically-readable format specified by the federal Health Care Financing Administration (HCFA). Facilities will submit information contained in the MDS for the required assessments including: *Admission Assessment*, all *Full Assessments*, *Quarterly Review Assessments*, *Significant Change in Status Assessment*, *Significant Correction of Prior Assessment*, *Basic Assessment Tracking*, *Discharge Tracking* and *Reentry Tracking* forms.

The provisions contained in this regulation implement federal statutory requirements. Section 4432 of the federal Balanced Budget Act of 1997 (Public Law 105-33) amends Section 1888 of the Social Security Act (the Act), by adding a new subsection (e).

In addition, the federal Balanced Budget Act (1997) requires HCFA to develop a prospective payment system (PPS) for Medicare payment in skilled nursing facilities (SNFs) that is based on the MDS 2.0 data. Data collection for this effort will begin July 1, 1998.

It is not clear at this time if HCFA will require the use of *MDS Section T-Supplement-Case Mix Demo*, *Section U-Medications-Case Mix Demo*, and *MDS Quarterly Assessment-(Optional Version for RUG III)*. The Bureau of Quality Assurance is awaiting further clarification from HCFA on this issue.

You may obtain additional copies of the regulation on either CD-ROM or hard copy, through the Government Printing Office (GPO). Contact GPO's Sales Order and Information Desk at (202) 512-1800 or by FAX at (202) 512-2250. Information can also be found on the World Wide Web at:

<http://www.hcfa.gov/medicare/hsqb/mds20>

The MDS System

The MDS System is one part of the overall MDS National Automation Project. The purpose of this project is to provide computerized storage, access and analysis of the MDS 2.0 long-term care data on residents in nursing homes across the United States. The MDS System is intended to create a standard, nationwide system for connecting LTC facilities to their respective State agencies for the purpose of electronic interchange of data, reports, and other information. The MDS System provides the following functions:

- Receipt of MDS records from LTC facilities by State agencies;
- Feedback to LTC facilities indicating acknowledgment of the transmission of the data;
- Storage of MDS records in the database repository within the State agency and the transmission to the national database; and
- Report generation on MDS data by State agencies.

Facilities must use software capable of encoding MDS records and exporting data files in accordance with HCFA's standard record layout specifications for version 2.0 of the MDS.

Long Term Care Facility User's Manual

This manual provides information and instructions for submitting MDS data to the State. This system enables facilities to connect electronically to the State agency, transmit MDS records, and receive feedback via the system from the State agency. **The manual is intended to be used as a reference and learning tool for the MDS System.**

We encourage you to review this manual prior to the *MDS Automation Satellite Broadcast* scheduled

for Thursday, February 19, 1998 (see below). Reviewing the manual will provide you with a better understanding of the information that will be presented at the broadcast.

MDS Automation Satellite Broadcast

A Satellite broadcast is scheduled for **Thursday, February 19, 1998, 10:00 a.m. to 3:30 p.m., Central Standard Time**. This satellite broadcast is being produced by the Health Care Financing Administration (HCFA) in conjunction with the American Health Care Association (AHCA) and the American Association for Homes and Services for Aging (AAHSA).

The purpose of the broadcast is to provide nursing homes with an understanding of the requirements for MDS data submission from both a policy and technical perspective. The program will cover the following topics:

- Overview and status of MDS automation;
- Overview of the Final Rule;
- Data collection requirements;
- How data transmission will work;
- Considerations for selecting and testing vendor software; and
- Facility implementation issues (personnel, privacy/confidentiality, enforcement, etc.).

This four (4) hour broadcast will consist of individual and panel presentations, short video selections, demonstrations, and live questions and answers from the viewing audience.

The Wisconsin Health Care Association (WHCA) and the Wisconsin Association for Homes and Services for Aging (WAHSA) are coordinating this broadcast in Wisconsin. The teleconference will be transmitted to ten technical college sites throughout Wisconsin.

1. Blackhawk Technical College, Janesville
2. Chippewa Valley Technical College, Eau Claire
3. Gateway Technical College, Racine
4. Lakeshore Technical College, Cleveland
5. Mid-State Technical College, Wisconsin Rapids
6. Milwaukee Area Technical College, Milwaukee
7. Moraine Park Technical College, Fond du Lac
8. North Central Technical College, Wausau

9. North East Wisconsin Technical College, Green Bay
10. Western Wisconsin Technical College, La Crosse

To register for this broadcast, complete and mail the attached registration form or contact either WHCA at (608) 257-0125 or WAHSA at (608) 255-7060.

MDS Form Changes

There have been several edits made to the MDS 2.0 form. The new form is identified as **MDS 2.0 10/18/94H**. Information about these technical changes is available on the World Wide Web at: <http://www.hcfa.gov/medicare/hsqb/mds20>.

The **MDS 2.0 10/18/94H** is the required form for transmission of MDS data to the state. If your software program does not use this form, contact your software vendor.

Responses – MDS Automation Readiness Questionnaire

The Bureau of Quality Assurance, Center for Health Statistics, and Bureau of Information Systems would like to thank all facilities for their outstanding performance in returning this questionnaire (100% returned questionnaires). The information is being analyzed and will be used in planning the implementation of the MDS automation requirements, at both the state and federal levels.

The questionnaire response revealed a high level of readiness for MDS automation, as of November 1997:

- 97% of facilities had a computer.
- 75% of facilities with a computer use *Windows*.
- 66% of facilities currently use MDS software and another 17% are in the process of acquiring MDS software.

MDS Submission

The Bureau of Quality Assurance (BQA) is developing a plan that will allow each facility to submit a test MDS file prior to June 22, 1998.

Facilities will receive a BQA memo by March 1, 1998, providing them with the necessary information to conduct a test submission. The information will include: the **State MDS Dial-In toll-free telephone number** (referenced in Appendix A of the attached User's Manual); their **User Name and Password** (referenced on page 3-5 of the attached User's Manual); a **suggested week** to submit their test (based on the facility's estimate of readiness response in the MDS Survey of 11/97); and **sources for technical assistance** to use if necessary. We strongly encourage facilities to involve their MDS software vendors in the testing process.

ORDERING INFORMATION

Long Term Care Resident Assessment Instrument User's Manual. The cost for one copy, including postage, is \$8.20 for tax exempt organizations and \$8.51 for all others. Walk-in costs do not include postage. For multiple copies, please contact Barb Carey at (608) 267-1446 for costs. Please make your check or money order payable to the **Division of Supportive Living** and mail to:

Division of Supportive Living
Bureau of Quality Assurance
Attention: Barb Carey
P.O. Box 309
Madison WI 53701-0309

Minimum Data Set (MDS) System – Long Term Care Facility User's Manual, Version 4.1. December 1997. Please contact Barb Carey at (608) 267-1446 or write her at the address above.